



## **STAFF REPORT**

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### **Police Department/City Hall Project – November Monthly Update**

Honorable Mayor and Council Members

#### **Summary**

Staff provides an update on the Police Department/City Hall project to the City Council and community on a monthly basis. This report provides updated information such as recent construction activities, upcoming construction activities, and budget/change orders. Selected photos of the project and a revised schedule are also included.

#### **Background**

On July 22, 2003 the City Council approved the plans and specifications for the Police Department/City Hall project and directed staff to issue them to the pre-qualified bidders. The project includes, but is not limited to, the seismic retrofit of City Hall and the addition of 8,000 square feet. Bids were opened on October 1 and the lowest responsible bidder was Thompson Pacific of San Rafael, which was awarded the contract on October 14. A Notice to Proceed was issued on October 30 with work to begin on November 10 and continue for 410 days.

As of November 15, we are at day 372 of the project, or approximately 91% into the official timeline. Clearly the timeline has slipped from the original completion date, as noted before and below, and the project will go beyond the scheduled 14 months.

#### **Discussion**

##### **Recent construction activities -**

- Roof drains, insulation and roofing membrane installed.
- Painting completed in much of the south wing.
- Installation of casework started in the south wing
- Tile installation in the 2<sup>nd</sup> floor locker and bathrooms of the south wing.
- Doors and door hardware installation started on the third floor of the south wing.
- Telephone, data and security cabling underway in the south wing
- Installation of the T-bar ceiling grid started on the third floor of the south wing.
- Lighting being installed on the third floor of the south wing.
- Rough electrical underway in the addition.

- Wall framing nearing completion and gypsum board underway in the addition.
- Taping of the gypsum board started on the first floor of the addition.
- HVAC ductwork installation continues in the addition.
- Installation of the new elevator in progress.
- Fire Sprinkler piping rough-in is nearly complete for Phase I.
- Inspections by the consulting Special Inspection & Testing firm are complete for phase I.
- Inspections by the City's Building Department, South County Fire, and the consulting engineers continue as needed.

#### **Upcoming construction activities –**

- Continuation of interior finishes in the south wing
- Resumed testing of the structural glass wall full-scale mockup.
- Installation of the structural glass wall system.
- Installation of the storefront window system on first floor of addition.
- Exterior finishes on the front of the addition.

#### **Miscellaneous issues –**

Structural Glass Wall: Testing of a mock up wall and installation of the final wall have been challenges for this project for some time. Disagreement with the subcontractor over the testing requirements of the contract held up work. Testing of the mock-up was finally begun on November 9. Unfortunately, it failed the test, so revisions and retesting are necessary. Installation cannot begin until a positive test report is received. This issue is a significant impediment to the timely completion of the entire project. Once the installation is underway, the rest of the project should move on a more predictable schedule.

Archaeological Work: All meaningful trenching is now complete and the consulting archaeologist has completed his report on the project. A determination of where, when and how to rebury the bones discovered will be made in the coming months in consultation with the archaeologist and Native American project representative. As noted before, the total cost of archaeological work is significantly above what was budgeted, but it will be covered within the existing contingency.

Personnel Change: We were experiencing challenges with the assigned construction administrator from the architectural firm, so our construction manager requested a staffing change. As of November 15, Chuck Jackson is now the representative from KMD on the job. We are hopeful he will bring a more proactive, problem-solving approach to the project for the remaining months.

Professional Fees: With additional construction time beyond the anticipated 14 months, the City will face additional costs in professional services for the architect and construction manager. Staff will work with these firms to come to an acceptable price for the amount of service required to complete the job within the total resources available. The delay in the project leads to other additional costs such as the rental of temporary furniture in the Lodge and off-site storage.

Move Timing: SBC, which will install the new 9-1-1 system, needs the relevant room to be completed approximately six weeks prior to going live. Therefore, depending on the sequencing of finish work, the final completion date of Phase I, and the other commitments of SBC, it is

possible that Police will not be able to more immediately upon the completion of Phase I. This issue is being discussed with Police and the other involved parties.

#### **Budget/change orders –**

The construction contract with Thompson Pacific is for \$7,085,000 (plus approved change orders); Council approved a contingency of \$569,100.

Total Available for the project:	\$9,985,100
Total Available this fiscal year:	\$6,934,255

As of October 31, 2004, approximately \$1.5 million has been expended on the project this fiscal year. In other words, 22% of the available budget has been spent.

#### **Change Orders –**

As of November 15, five formal change orders, addressing eighteen separately negotiated changes (including three credits), have been processed and paid, for a net total of \$32,740.

Despite the lack of numerous formal change orders, we know of other construction elements that will result in extra costs to the City. Some of the significant cost items include: additional demo of the exterior wall, additional demo for the generator pad, drilling through the thickened slab, steel collectors under the thickened slab, changes to the structural steel, additional lockers and benches, revisions to the roof slope and insulation, rerouting conduit for the generator, carpets in the new stairwell, additional electrical work, changes to the existing fire protection system (noted last month), changes to the Police telecomm room, miscellaneous wall revisions and additions, and modifications to facilitate the AV system in the Council Chambers.

As noted in past reports, there are also a number of situations that should result in credits to the City. For example, less slab demolition and replacement in the south wing, deletion of the projection screen in the Chamber, deletion of the elevator sump pump, reduced conduit and wiring for the new generator, reduced work in the existing north stairs, and deletion of fire alarm devices.

#### **Draws on Contingency -**

On balance, therefore, our rough estimate is that the current net cost of the construction changes identified to date will be **about \$220,000**. Please keep in mind the net cost projection is based on our construction manager's estimates only – not actual agreements with the contractor.

In addition, as noted before, there are other (non-construction) estimated charges against the contingency. For example, the archaeological costs are higher than budgeted, as will be the audio-video equipment and reconnecting the phone lines. Other significant additional expenses include site planning for the current PD site, new workstations for the police dispatch center, and additional casework in the building.

Looking at the overall project, the current estimate is that we have anticipated charges against the contingency of **about \$390,000** at this point (a total of \$569,100 in contingency funding is available for the project). This does not include an increase in professional fees as noted above.

Staff will continue to monitor actual expenditures to the plan and will update Council on any significant deviations.

### **Project schedule -**

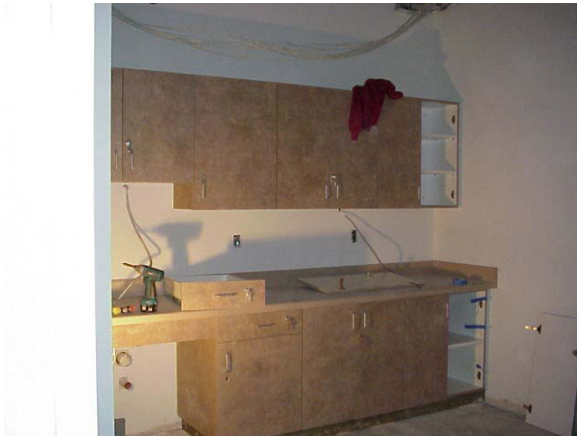
The official project schedule remains uncertain at this time *so we have maintained the timeline from last month*. Some additional delay is likely. The main factor causing the delay remains the structural glass wall, and as of November 15, that work has not begun. Until that installation is underway, we will not have a good sense of a realistic timeline.

Some of the overall delay is due to design errors (primarily structural steel), so it is likely that at least some of the delays will be considered “concurrent” (offsetting - “their” fault and “our” fault).

<b>Milestone</b>	<b>Schedule</b>	<b>Revised</b>	<b>Actual</b>	<b>Comments</b>
<i>Phase I:</i>				
Demolition	Jan. 9		Jan 9	
Foundations	Feb. 13		Feb 13	
Shear Walls - Existing Building	March 29		April 7	
Concrete Walls – Addition	April 29		May 26	
Structural Steel	June 23		Sept 16	
Roof on Addition	August 4	Oct. 1	Oct. 26	<i>not 100% complete</i>
Complete Landscaping	August 26	Sept. 27		<i>obviously not completed</i>
Complete Sitework	Oct. 14	Oct. 14		<i>some hardscape will wait until window is installed</i>
Structural Glass	August 20	Nov. 19		
<b>Phase I complete</b>	Oct. 14	<b>Jan. 18</b>		
Transition period	Oct. 25	Jan. 19-26		
<i>Phase II:</i>				
Demolition	Nov 4			
Tenant Improvements (currently occupied areas)	Oct. – Dec.	Jan. - March		
<b>Phase II complete</b>	Dec. 23	<b>Mar. 29</b>		

### **Photo's -**

The following pictures show some of the progress since the last update.



### **Fiscal Impact**

There is no fiscal impact to this report. Funds for all anticipated costs associated with the project are included in the FY05 budget.

### **Recommendation**

It is recommended that Council accept the update provided in this report. Staff will bring a revised project schedule as well as some policy questions to Council with the next update.

**Alternatives**

1. Provide alternative direction to staff.
2. Take no action.

Respectfully submitted,

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Daniel Rich  
Interim City Manager